

Impair test (continued) . . .

- **The FCC's Section 706 mandate and the public interest also compel definition of frame relay/data UNEs.**
 - While frame relay UNEs may not accelerate the pace of competition in rural America, their impact on the small businesses driving today's Internet boom and economic expansion could be dramatic.
 - By generating additional demand and providing a reasonable profit, unbundling actually encourages ILEC deployment of advanced technologies.
 - As in the voice world, frame relay UNEs will extend the reach of competitive facilities-based networks and, thereby, will promote and maximize additional facilities deployment by competitors.
 - Extended reach means more choices for consumers.
 - Extending competitors' reach also will place pressure on ILECs to improve their frame relay service offerings and to move prices down toward cost.

Special Access / Extended Link UNE or Loop-Transport Combination

Ameritech Cost Comparison

Ameritech Special Access

Loop/ Transport	Term Plan	Channel Term MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	SA Premium (vs. UNE)
DS1/ DS1	OPP 5YR	\$112.50	\$49.60+ \$49.60 \$99.20	\$138.40	None	\$0.00	\$350.10	201%
DS1/ DS3	OPP 5YR	\$112.50	\$563.64+ \$563.64/28 \$40.26	\$395.00/28 \$14.10	1:3	\$508.80/ 28 \$18.17	\$185.03	87%

Assumptions: best term plan available, interoffice mileage – 10 miles, two fixed transport charges, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

Ameritech Extended Link UNE or Loop/Transport Combination

Loop/ Transport	State UNE Rates	Loop MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	UNE Savings (vs. SA)
DS1/ DS1	Ohio	\$67.30*	\$15.68+ \$15.68 \$31.36	\$17.40	None	\$0.00	\$116.06	67%
DS1/ DS3	Ohio	\$67.30*	\$135.40+ \$135.40/28 \$9.67	\$229.00/ 28 \$8.17	1:3	\$372.85/ 28 \$13.31	\$98.45	47%

Assumptions: interoffice mileage – 10 miles, two fixed transport charges, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

* If a T1 over 2-wire HDSL is used, the loop component cost goes down to \$5.93.

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Special Access / Extended Link UNE or Loop-Transport Combination

Bell Atlantic-North Cost Comparison

Bell Atlantic-North Special Access

Loop/ Transport	Term Plan	Channel Term MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	SA Premium (vs. UNE)
DS1/ DS1	SDP 7YR	\$130.00	\$42.40	\$130.00	None	\$0.00	\$302.40	40%
DS1/ DS3	SDP 7YR	\$130.00	\$421.20/28 \$15.04	\$1,168.20/ 28 \$41.45	1:3	\$369.00/ 28 \$13.17	\$199.66	36%

Assumptions: best term plan available, interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

Bell Atlantic-North Extended Link UNE or Loop/Transport Combination

Loop/ Transport	State UNE Rates	Loop MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	UNE Savings (vs. SA)
DS1/ DS1	NY	\$98.32*	\$110.00	\$7.20	None	\$0.00	\$215.52	29%
DS1/ DS3	NY	\$98.32*	\$911.00/28 \$32.53	\$201.00/ 28 \$7.17	1:3	\$223.52/ 28 \$7.98	\$146.00	27%

Assumptions: interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

* If a T1 over 2-wire HDSL is used, the loop component cost goes down to \$24.27.

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Special Access / Extended Link UNE or Loop-Transport Combination

Bell Atlantic-South Cost Comparison

Bell Atlantic-South Special Access

Loop/ Transport	Term Plan	Channel Term MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	SA Premium (vs. UNE)
DS1/ DS1	TPP 7YR	\$155.00	\$45.00	\$81.30	None	\$0.00	\$281.30	59%
DS1/ DS3	TPP 5YR	\$155.00	\$712.50/28 \$25.44	\$760.00/28 \$27.14	1:3	\$411.40/ 28 \$14.69	\$222.27	32%

Assumptions: best term plan available, interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

Bell Atlantic-South Extended Link UNE or Loop/Transport Combination

Loop/ Transport	State UNE Rates	Loop MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	UNE Savings (vs. SA)
DS1/ DS1	Penn- sylvania	\$132.51 *	\$37.66	\$6.60	None	\$0.00	\$176.77	38%
DS1/ DS3	Penn- sylvania	\$132.51 *	\$526.72/28 \$18.81	\$186.60/28 \$6.66	1:3	\$257.61/ 28 \$9.20	\$167.18	25%

Assumptions: interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

* If a T1 over 2-wire HDSL is used, the loop component cost goes down to \$11.52.

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Special Access / Extended Link UNE or Loop-Transport Combination

BellSouth Cost Comparison

BellSouth Special Access

Loop/ Transport	Term Plan	Channel Term MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	SA Premium (vs. UNE)
DS1/ DS1	CSPPB	\$124.00	\$75.00	\$150.00	None	\$0.00	\$349.00	151%
DS1/ DS3	TPPC	\$124.00	\$850.00/28 \$30.35	\$960.00/28 \$34.28	1:3	\$450.00/ 28 \$16.07	\$204.70	103%

Assumptions: best term plan available, interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

BellSouth Extended Link UNE or Loop/Transport Combination

Loop/ Transport	State UNE Rates	Loop MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	UNE Savings (vs. SA)
DS1/ DS1	North Carolina	\$62.82*	\$59.75	\$16.00	None	\$0.00	\$138.57	61%
DS1/ DS3	North Carolina	\$62.82*	\$720.65/28 \$25.73	\$130.00/ 28 \$4.64	1:3	\$210.00 **/28 \$7.50	\$100.69	51%

Assumptions: interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

* If a T1 over 2-wire HDSL is used, the loop component cost goes down to \$14.54.

** Estimate.

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Special Access / Extended Link UNE or Loop-Transport Combination

SBC Cost Comparison

SBC Special Access

Loop/ Transport	Term Plan	Channel Term MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	SA Premium (vs. UNE)
DS1/ DS1	OPP 5YR	\$132.00	\$43.50	\$134.40	None	\$0.00	\$309.90	161%
DS1/ DS3	OPP 10YR	\$132.00	\$634.00/28 \$22.64	\$710.00/28 \$25.35	1:3	\$686.40/ 28 \$24.51	\$204.50	89%

Assumptions: best term plan available, interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

SBC Extended Link UNE or Loop/Transport Combination

Loop/ Transport	State UNE Rates	Loop MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	UNE Savings (vs. SA)
DS1/ DS1	Texas	\$76.96*	\$38.15	\$3.50	None	\$0.00	\$118.61	62%
DS1/ DS3	Texas	\$76.96*	\$417.24/28 \$14.90	\$92.90/ 28 \$3.31	1:3	\$365.11/ 28 \$13.03	\$108.20	48%

Assumptions: interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

* If a T1 over 2-wire HDSL is used, the loop component cost goes down to \$46.09.

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Special Access / Extended Link UNE or Loop-Transport Combination

U S West Cost Comparison

U S West Special Access

Loop/ Transport	Term Plan	Channel Term MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	SA Premium (vs. UNE)
DS1/ DS1	RSP 5YR	\$92.00	\$69.20	\$108.40	None	\$0.00	\$269.60	43%
DS1/ DS3	RSP 10YR	\$92.00	\$248.00/28 \$8.85	\$320.00/28 \$11.42	1:3	\$240.00/ 28 \$8.57	\$120.84	5%

Assumptions: best term plan available, interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

U S West Extended Link UNE or Loop/Transport Combination

Loop/ Transport	State UNE Rates	Loop MRC (zone 1)	Transport Fixed MRC (zone 1)	Transport Variable MRC (zone 1)	MUX Type	MUX MRC	Total per DS1	UNE Savings (vs. SA)
DS1/ DS1	Arizona	\$89.42*	\$89.42	\$9.40	None	\$0.00	\$188.24	31%
DS1/ DS3	Arizona	89.42*	\$357.16/28 \$12.75	\$159.00/ 28 \$5.67	1:3	\$196.85/ 28 \$7.03	\$114.87	5%

Assumptions: interoffice mileage – 10 miles, single fixed transport charge, no entrance facility (second channel term), 1:3 MUX MRC and NRC distributed over 28 DS1s (total charge divided by 28); NRCs not factored into analysis.

* If a T1 over 2-wire HDSL is used, the loop component cost goes down to \$21.98.

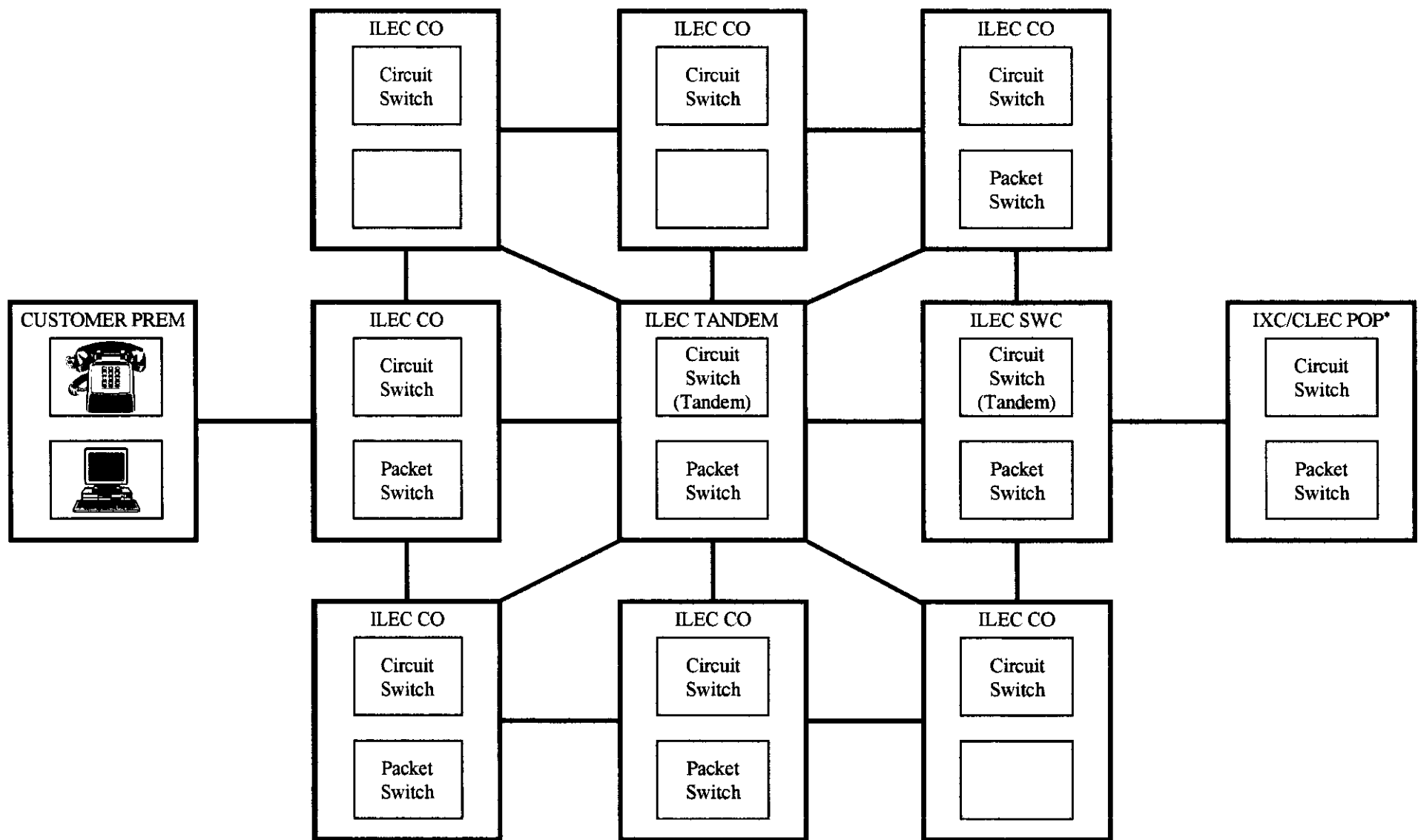
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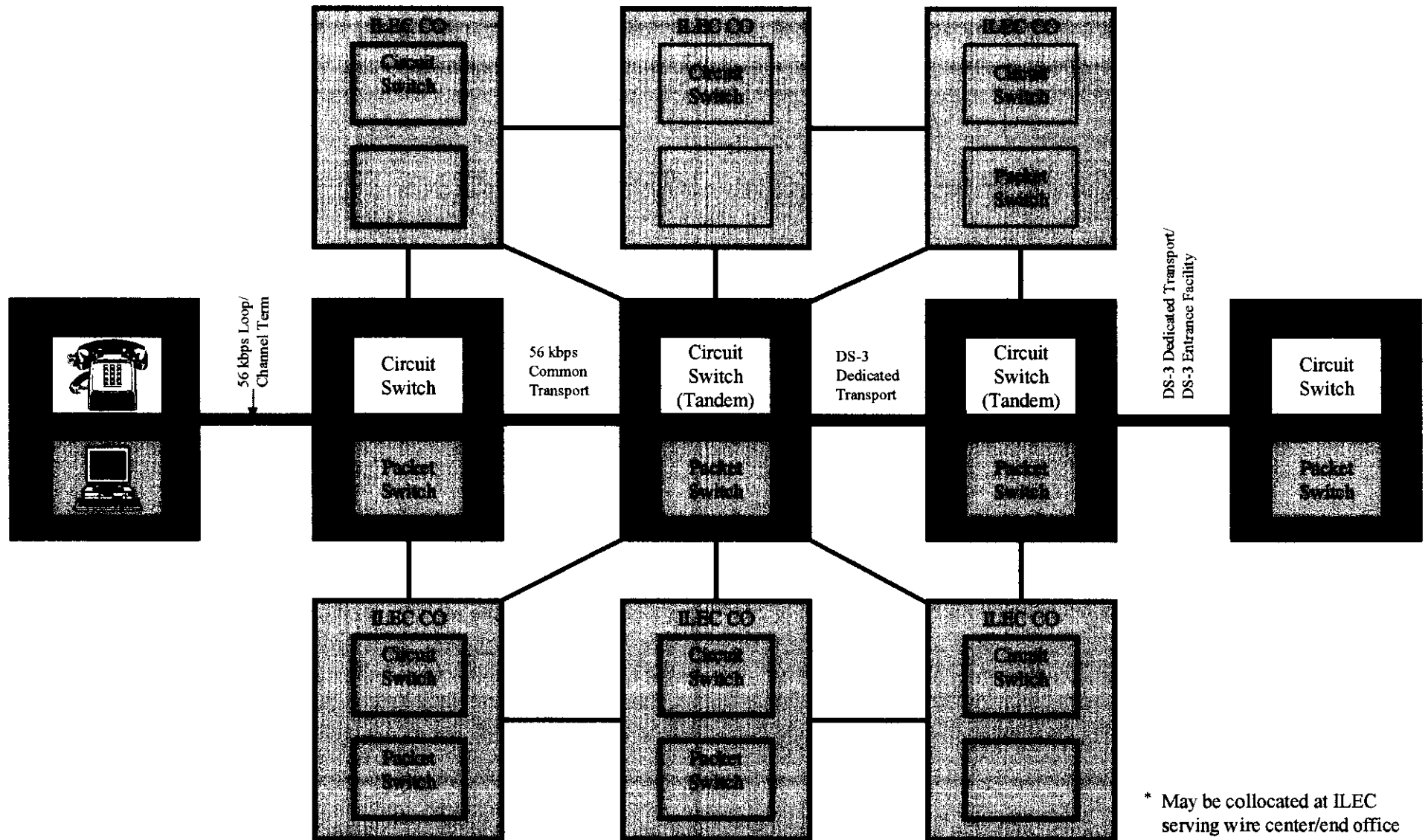
The Integrated ILEC Network



* May be collocated at ILEC
serving wire center/end office

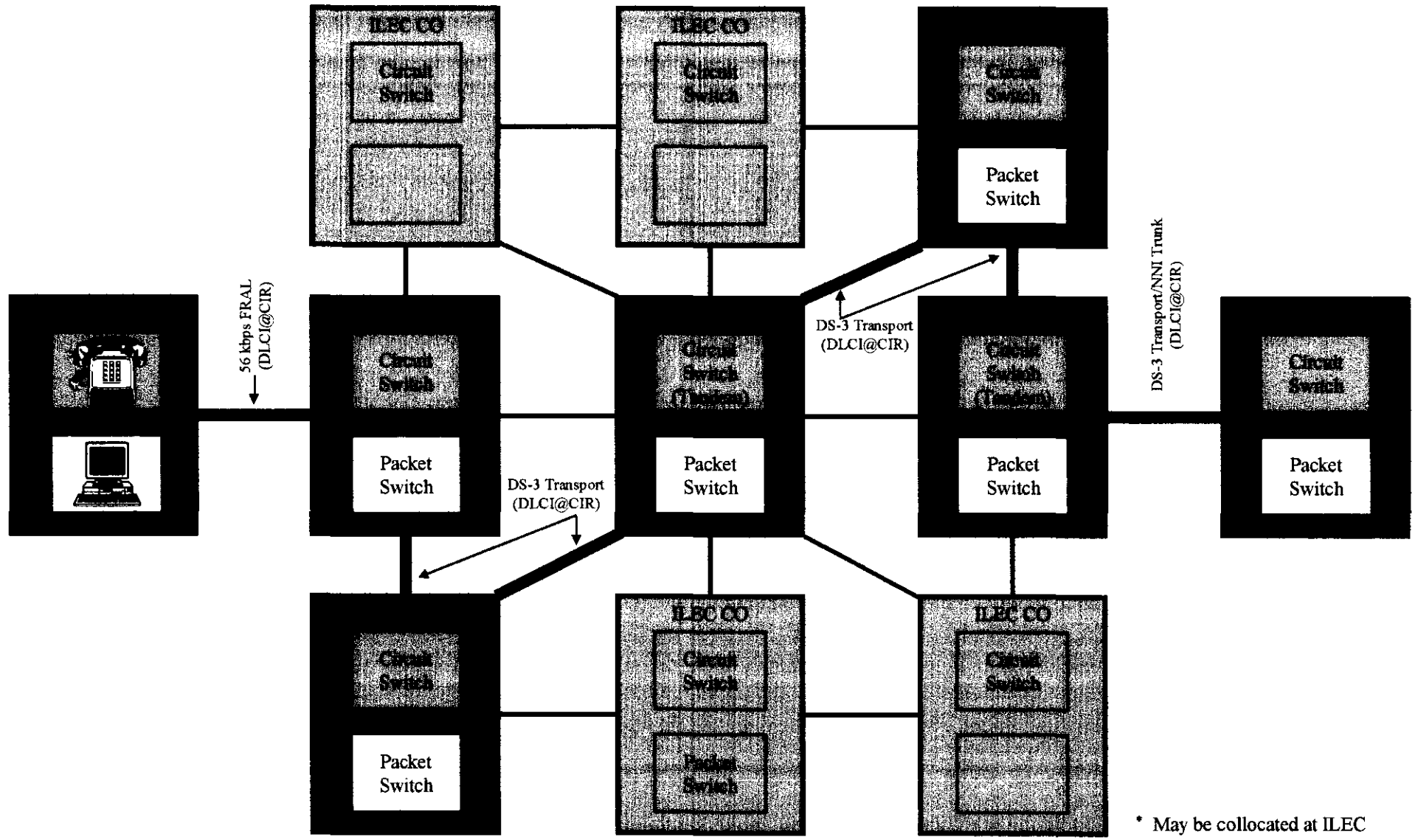
The Integrated ILEC Network

■ Circuit-Switched Special Access



The Integrated ILEC Network

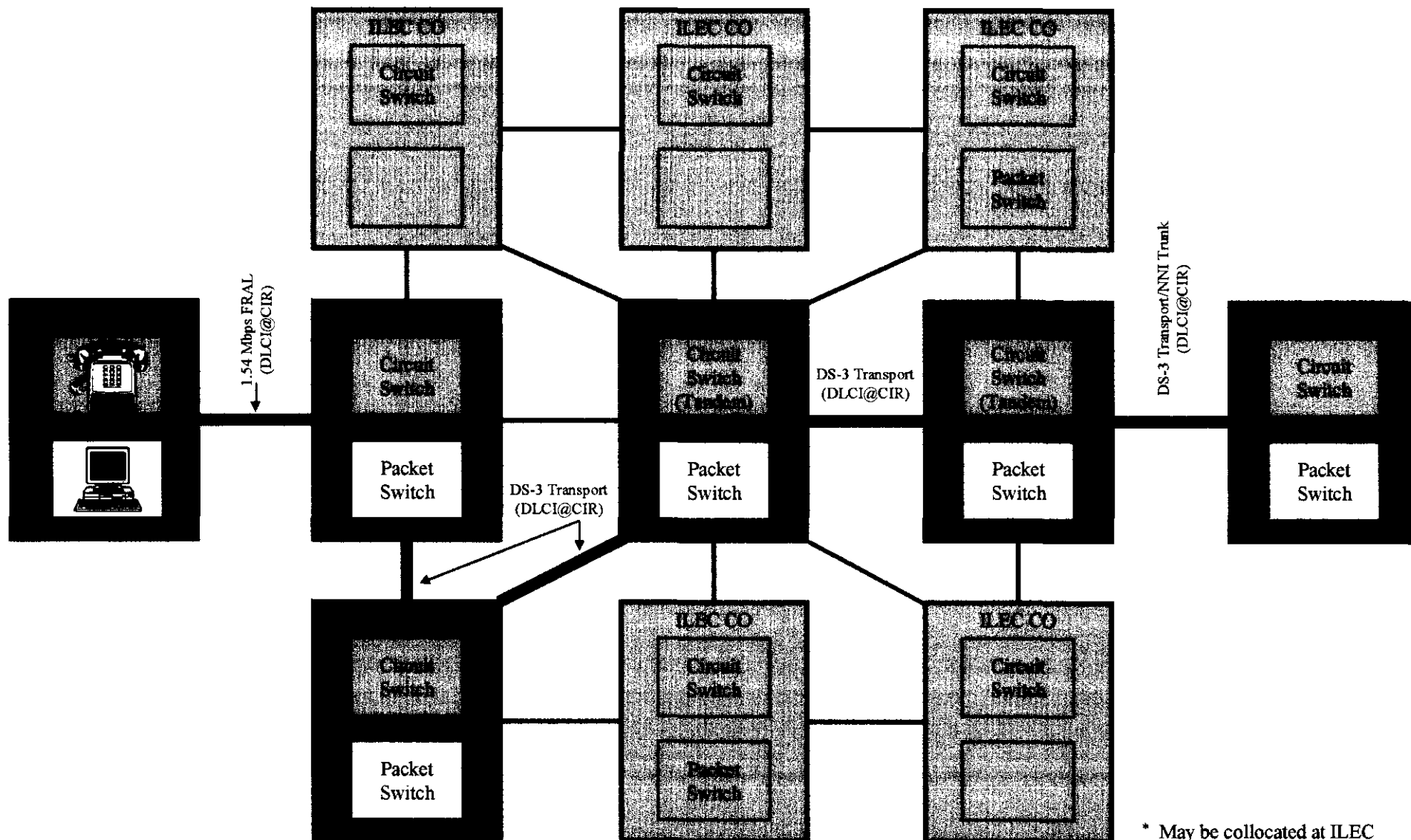
■ Packet-Switched PVC (1)



* May be collocated at ILEC serving wire center/end office

The Integrated ILEC Network

■ Packet-Switched PVC (2)



* May be collocated at ILEC serving wire center/end office